

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION**

P.O. Box 944246
SACRAMENTO, CA 94244-2460
(916) 653-7772
Website: www.fire.ca.gov



December 23, 2008

[Grantee]
[Street]
[City]

RE: IMMEDIATE STOPPAGE OF WORK ON BOND FUNDED GRANT PROJECTS
[Grant]

Dear [Name]:

On December 17, 2008, the Pooled Money Investment Board (PMIB) approved an action which affects state bond programs, including CAL FIRE's Proposition 40 Fuels Management Program. Specifically, CAL FIRE's Proposition 40 Fuels Management Program has been directed to do the following:

- 1) immediately cease entering into any new construction, grants, loans or other agreements that commit the expenditure of bond funds, and
- 2) immediately instruct all grant or loan recipients of bond funds to cease from entering into any new construction or other agreements or contracts that would be funded from bond funds.
- 3) immediately instruct all grant or loan recipients to suspend all projects unless the grantee can continue with non-state funding sources (private, local, or federal funds).

As a result of the action taken by the PMIB, you must immediately cease any State of California funded work on the above referenced grant agreement(s) as of the date you receive this letter. You are requested to reply to this message in writing (email is acceptable jeff.stephens@fire.ca.gov) by close of business December 29, 2008. In your reply you should acknowledge that you have received this memo and that you intend to immediately comply.

Additionally, the State Controllers' Office indicated that effective December 17, 2008 all bond funded disbursements would be frozen until further notice. This measure means that reimbursements on current grants for work completed and not submitted to the Controller's Office by December 17, 2008 will be frozen and grantees will not receive payment until the suspension is lifted. At this point it is not certain when reimbursements can be resumed. You may submit billing for work completed up to this point, but you will not receive reimbursement for that work until further notice due to the above action of the PMIB. You

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will not receive state reimbursement for any work initiated while the grants or contracts are suspended. If you have reason to dispute a grant or contract billing issue, please see the following form: www.boc.ca.gov/docs/forms/claims/GCCClaimForm.pdf

The severity of this action reflects the enormity of the current budget crisis and until the budget issue is resolved, we unfortunately are unable to indicate when or if work or disbursements will resume. We regret the hardship this places on our grantees and hope for a quick solution to ensure the successful completion of fuels management projects. We will promptly notify you of any news in regards to when invoices for work completed may be paid, or when grant projects may resume work. Another PMIB meeting will convene in early January 2009 to further address the issue.

We want to stress that this is in no way a reflection on your performance on this grant project. The work you have been doing is important to the advancement of vegetation management in California. Please contact your CAL FIRE Proposition 40 or Unit Forester if you have further questions. Contact information for each Forester is attached.

Sincerely,

WILLIAM E. SNYDER
Deputy Director
Resource Management

cc: Crawford Tuttle, Chief Deputy Director
Russ Henly, Assist. Deputy Director
Jeff Stephens, Deputy Chief
Tony Mediate, Division Chief
Janet Barentson, Chief of Budgets
Steve Jones, Deputy Chief
Janet Upton, Deputy Director
Bryan Cash, Resources Agency